

**SIXTH JUDICIAL DISTRICT COURT OF LOUISIANA**

**FINANCIAL STATEMENTS**

**AS OF DECEMBER 31, 2011**

**David Q. Richardson**  
**Certified Public Accountant**  
**P.O. Box 891**  
**Tallulah, LA 71284-0891**  
**318-574-0514**

SIXTH JUDICIAL DISTRICT COURT OF LOUISIANA  
YEAR ENDED DECEMBER 31, 2011

TABLE OF CONTENTS

	<u>Exhibit</u>	<u>Page No.</u>
Independent Auditor's Report		1-2
<b>Required Supplemental Information (Part I)</b>		
Management's Discussion and Analysis		4-7
<b>Basic Financial Statements</b>		
Governmental Funds Balance Sheet / Statement of Net Assets	A	9
Statement of Governmental Funds Revenues, Expenditures, and Changes in Fund Balances / Statement of Activities	B	10
<b>Notes to the Financial Statements</b>		
Notes to the Financial Statements		12-18
<b>Required Supplemental Information (Part II):</b>	<u>Schedule</u>	<u>Page No.</u>
Budget Comparison Schedule - Special Revenue Fund	1	20
Budget Comparison Schedule - Support Enforcement Fund	2	21
Budget Comparison Schedule - Probation Supervision Fund	3	22
Budget Comparison Schedule - Judicial Expense Fund	4	23
Budget Comparison Schedule - FINS Intake Officer Fund	5	24
<b>Other Supplemental Information (Part III):</b>		
Combining Balance Sheet - Special Revenue Fund	6	26
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance - Special Revenue Fund	7	27
<b>Compliance Reporting</b>		
Schedule of Findings and Questioned Costs		29
Schedule of Prior Year Findings		30
Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government</i> <i>Auditing Standards</i>		31-32

**DAVID Q RICHARDSON**  
CERTIFIED PUBLIC ACCOUNTANT  
POST OFFICE BOX 891  
TALLULAH LOUISIANA 71284-0891  
cpa2912@bellsouth.net  
318-574-0514  
318-574-0176

**INDEPENDENT AUDITOR'S REPORT**

Sixth Judicial District Court of Louisiana  
Tallulah, Louisiana

I have audited the accompanying financial statements of the governmental activities and the major fund of the Sixth Judicial District Court as of and for the year ended December 31, 2011, as listed in the table of contents. These financial statements are the responsibility of the Sixth Judicial District Court. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of the Sixth Judicial District Court, as of December 31, 2011, and the changes in financial positions for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The Management's Discussion and Analysis and other required supplementary information on pages 4 through 7, and 20 through 24 respectively, are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. I have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, I did not audit the information and express no opinion on it.

In accordance with *Government Auditing Standards*, I have also issued a report dated June 20, 2012, on my consideration of the Court's internal control over financial reporting and my tests of its compliance with certain provisions of laws. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of my audit.

## INDEPENDENT AUDITOR'S REPORT

Page Two

My audit was conducted for the purpose of forming an opinion on the basic financial statements of the Sixth Judicial District Court of Louisiana, taken as a whole. The accompanying schedules of combining financial statements are presented for the purpose of additional analysis and are not a required part of the basic financial statements. The information in these combining financial statements has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in my opinion, is fairly presented in all material respects in relation to the basic financial statements taken as a whole.

A handwritten signature in black ink, appearing to read "David R. Ladd". The signature is fluid and cursive, with a large initial "D" and "R".

Tallulah, Louisiana  
June 20, 2012

**REQUIRED SUPPLEMENTAL INFORMATION**

**PART I**

## **Management's Discussion and Analysis**

December 31, 2011

Our discussion and analysis of the Sixth Judicial District Court of Louisiana's financial performance provides an overview of the Court's financial activities for the fiscal year which ended December 31, 2011. Please read it in conjunction with the Court's financial statements, which begins on page 9 .

### **Financial Highlights**

The Sixth Judicial District Court of Louisiana's net assets increased by \$53,268 or 7%.

During the year the Court's program revenues were \$349,688, an increase of \$29,428 when compared to 2010.

During the year ended December 31, 2011, the Court had total expenditures of \$362,349, an increase of \$6,508 when compared to 2010.

### **Overview of the Financial Statements**

This Management Discussion and Analysis document introduces the Court's basic financial statements. The annual report consists of a series of financial statements. The Statement of Net Assets and the Statement of Activities provide information about the financial activities as a whole and illustrate a longer-term view of the Court's finances. The Balance Sheet and Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Fund tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the operations in more detail than the Government-wide financial statements by providing information about the most significant funds. This report also contains other supplementary information in addition to the basic financial statements themselves.

**Government-wide financial statements.** The government-wide financial statements are designed to provide readers with a broad overview of the Court's finances, in a manner similar to a private-sector business. The government-wide financial statements provide short and long-term information about the Court's financial statements as a whole.

The Sixth Judicial District Court of Louisiana's government-wide financial statements include a Statement of Net Assets and Statement of Activities, which are prepared using accounting principles that are similar to commercial enterprises. The purpose of the Statement of Net Assets is to report all of the assets held and liabilities owed by the Court using the full accrual basis of accounting. The Court reports all of its assets when it acquires ownership over the assets and reports all of its liabilities when they are incurred.

The difference between the Court's total assets and total liabilities is reported as net assets and this difference is similar to the total owner's equity presented by a commercial enterprise. Over time, increases or decreases in the Court's net assets are one indicator of whether its financial health is improving or deteriorating. However, the Court's goal is to provide services to the citizens of the district, not to generate profits as commercial enterprises do. Therefore, not only financial factors must be considered to assess the overall health of the Court.

The purpose of the Statement of Activities is to present the revenues and expenses of the Sixth Judicial District Court. Again, the items presented on the Statement of Activities are measured in a manner similar to the approach used by a commercial enterprise in that revenues are recognized when earned or established criteria are satisfied and expenses are reported when incurred by the Court. Thus, revenues are reported even though they may not be collected for several months after the end of the accounting period and expenses are recorded even though they may not have used cash during the current period.

**Governmental funds.** Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the Governmental Fund Balance sheet and Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Sixth Judicial District Court of Louisiana adopts an annual budget for all funds. These budgets are amended during the year as events and circumstances change. A budgetary comparison statement is provided for the fund to demonstrate compliance with these budgets.

**Notes to the financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

**Other Information.** In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Sixth Judicial District Court of Louisiana's performance.

## REPORTING ON THE SIXTH JUDICIAL DISTRICT COURT OF LOUISIANA AS A WHOLE

The following table reflects the condensed Statement of Net Assets:

### CONDENSED STATEMENT OF NET ASSETS Years Ended December 31, 2011, and 2010

	2011	2010
<b>Assets</b>		
Current and other assets	\$ 767,202	\$ 726,356
Capital assets, net of accumulated depreciation	23,412	12,807
Total Assets	<u>790,614</u>	<u>739,163</u>
<b>Liabilities</b>		
Current and other liabilities	<u>2,855</u>	<u>4,672</u>
<b>Net Assets</b>		
Invested in capital assets, net of related debt	23,412	12,807
Unrestricted	764,347	721,684
Total Net Assets	<u>\$ 787,759</u>	<u>\$ 734,491</u>

Net assets may serve over time as a useful indicator of a government's financial position. In the case of the Sixth Judicial District Court, assets exceed liabilities at the close of the fiscal year, by \$787,759 in 2011 and \$734,491 in 2010. Of these amounts \$23,412, or 3%, and \$12,807, or 2% of the total net assets, represents the investment of the Court in capital assets net of related debt. Net assets of \$764,347 for 2011, and \$721,684 for 2010, which are technically unrestricted, need to be viewed in light of information in the fund financial statements.

The following table reflects the condensed Statement of Activities:

### CONDENSED STATEMENT OF ACTIVITIES Years Ended December 31, 2011, and 2010

	2011	2010
<b>Revenues</b>		
Program revenue	\$ 349,688	\$ 320,145
Intergovernmental	45,078	45,857
Interest and other income	10,246	13,021
Total Revenues	<u>405,012</u>	<u>379,023</u>
<b>Expenses</b>		
Salaries and benefits	255,539	270,672
Travel	17,057	16,198
Other	79,148	71,320
Total Expenses	<u>351,744</u>	<u>358,190</u>
Change in Net Assets	53,268	20,833
Net Assets-beginning	734,491	713,658
Net Assets-ending	<u>\$ 787,759</u>	<u>\$ 734,491</u>

The cost of governmental activities for 2011 and 2010 was \$362,349 and \$355,841.



## **Financial Analysis of the Government's Funds**

As noted earlier, the Sixth Judicial District Court of Louisiana uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The focus of the governmental funds is to provide information on near-term inflows, outflows, and balances of expendable resources. Such information is useful in assessing the financing requirements. In particular, fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of December 31, 2011, the governmental fund balance of \$764,347 showed an increase of \$42,663 when compared to December 31, 2010.

## **Capital Asset and Debt Administration**

**Capital assets.** The Sixth Judicial District Court of Louisiana's investment in capital assets for its governmental activities as of December 31, 2011, amounts to \$23,412. This investment includes furniture and equipment. This value is net of accumulated depreciation.

**Long-term debt.** The Sixth Judicial District Court of Louisiana does not have any debt.

## **General Fund Budgetary Highlights**

The Court's budget is prepared according to Louisiana law.

A budgetary comparison schedule showing the Sixth Judicial District Court's original and amended budgets compared with actual operating results is provided in the report that follows.

## **Economic Factors and Next Year's Budgets**

The Court considered many factors when setting its 2012 budget.

Revenues and expenditures of the Court's funds are expected to remain fairly consistent with the 2011 fiscal year.

## **Requests for information**

This financial report is designed to provide a general overview of the Sixth Judicial District Court of Louisiana's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Sixth Judicial District Court of Louisiana, P.O. Box 1271, Tallulah, Louisiana, 71282.

SIXTH JUDICIAL DISTRICT COURT OF LOUISIANA  
GOVERNMENTAL FUNDS BALANCE SHEET / STATEMENT OF NET ASSETS  
DECEMBER 31, 2011

	Special Revenue Fund	Adjustments Reclassifications Note 1	Statement of Net Assets
<b>Assets</b>			
Cash and cash equivalents	\$ 100,043	\$ -	\$ 100,043
Investments - certificates of deposit	644,409	-	644,409
Accounts receivable	22,750	-	22,750
Capital assets, net of accumulated depreciation	-	23,412	23,412
<b>Total Assets</b>	<u>767,202</u>	<u>23,412</u>	<u>790,614</u>
<b>Liabilities</b>			
Accounts payable	<u>2,855</u>	-	<u>2,855</u>
<b>Fund Balance</b>			
Fund Balance - Restricted	<u>764,347</u>	<u>(764,347)</u>	<u>-</u>
<b>Total Liabilities and Fund Balance</b>	<u>\$ 767,202</u>	<u>(764,347)</u>	<u>2,855</u>
<b>Net Assets</b>			
Invested in Capital assets		23,412	23,412
Unrestricted		<u>764,347</u>	<u>764,347</u>
<b>Total Net Assets</b>		<u>\$ 23,412</u>	<u>\$ 787,759</u>

The accompanying notes are an integral part of this financial statement.

SIXTH JUDICIAL DISTRICT COURT OF LOUISIANA  
 STATEMENT OF GOVERNMENTAL FUND REVENUES, EXPENDITURES, AND  
 CHANGES IN FUND BALANCES / STATEMENT OF ACTIVITIES  
 FOR THE YEAR ENDED DECEMBER 31, 2011

	Special Revenue Fund	Adjustments Note 1	Statement of Activities
<b>Expenditures/Expenses</b>			
Judiciary:			
Salaries & benefits	\$ 255,539	\$ -	\$ 255,539
Travel	17,057	-	17,057
Office expense	32,393	-	32,393
Insurance	419	-	419
Professional fees	20,300	-	20,300
Repairs & maintenance	8,251	-	8,251
Other	11,781	-	11,781
Capital outlay	16,609	(16,609)	-
Depreciation	-	6,004	6,004
Total Expenditures/Expenses	<u>362,349</u>	<u>(10,605)</u>	<u>351,744</u>
<b>Program Revenues</b>			
Fees & other charges:			
Support Enforcement	132,593	-	132,593
Probation Supervision	152,641	-	152,641
Judicial Expense	64,454	-	64,454
Total Program Revenues	<u>349,688</u>	<u>-</u>	<u>349,688</u>
Net Program Expense	<u>(12,661)</u>	<u>10,605</u>	<u>(2,056)</u>
<b>General Revenues</b>			
Intergovernmental	45,078	-	45,078
Interest income	10,246	-	10,246
Total General Revenues	<u>55,324</u>	<u>-</u>	<u>55,324</u>
Excess of Revenues over Expenditures	42,663	10,605	53,268
<b>Fund Balance/Net Assets</b>			
Balance - beginning of the year	<u>721,684</u>	<u>12,807</u>	<u>734,491</u>
Balance - end of the year	<u>\$ 764,347</u>	<u>\$ 23,412</u>	<u>\$ 787,759</u>

The accompanying notes are an integral part of this financial statement.

**SIXTH JUDICIAL DISTRICT COURT OF LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2011**

**INTRODUCTION**

The Sixth Judicial District Court of Louisiana was established by Louisiana Revised Statutes 13:996.38 and 46:236.5. The purpose of Louisiana Revised Statute 13:996.38 is to expedite the business and function of the court by payment of personnel salaries, purchase and maintenance of equipment, establishing and maintaining a law library, and any expenses incidental to proper administration of the court other than payment of salaries to judges. In addition, Louisiana Revised Statute 46:236.5 is to expedite the establishment and enforcement of support payments. A collection fee of not more than 5% of support obligation can be used to fund the administrative costs of the expedited process.

The Sixth Judicial District Court of Louisiana has offices in the court house of Tensas, Madison, and East Carroll Parishes. The Court has 11 employees, not including the judges: three secretaries, two court reporters, two law clerks, one court administrator, two misdemeanor probation officers, and one FINS officer.

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. BASIS OF PRESENTATION**

The accompanying basic financial statements of the Sixth Judicial District Court of Louisiana have been prepared in conformity with governmental accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The accompanying basic financial statements have been prepared in conformity with GASB Statement 34, *Basic Financial Statements-and Management's Discussion and Analysis-for State and Local Governments*, issued in June 1999.

**B. REPORTING ENTITY**

For financial reporting purposes, in conformance with GASB Codification Section 2100, the Sixth Judicial District Court of Louisiana is a part of the district court system of the State of Louisiana. The accompanying financial statements present financial information only on the operations of the Special Revenue Fund of the Sixth Judicial District Court, a component of the State of Louisiana judicial system. This component unit is an integral part of the reporting entity.

**C. FUND ACCOUNTING**

The Court uses funds to maintain its financial records during the year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain functions and activities. A fund is defined as a separate fiscal and accounting entity with a self-balancing set of accounts.

SIXTH JUDICIAL DISTRICT COURT OF LOUISIANA  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2011

**Governmental Funds**

Governmental funds account for all or most of the Court's general activities. These funds focus on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may be used. Current liabilities are assigned to the fund from which they will be paid. The difference between a governmental fund's assets and liabilities is reported as fund balance. In general, fund balance represents the accumulated expendable resources which may be used to finance future period programs or operations of the Court.

**D. MEASUREMENT FOCUS/BASIS OF ACCOUNTING**

**Fund Financial Statements (FFS)**

The amounts reflected in the Special Revenue Fund column of Exhibits A and B are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the Balance Sheet. The Statement of Revenues, Expenditures, and Changes in Fund Balance reports on the sources of current financial resources. This approach is then reconciled, through adjustments, to a government-wide view of the Court's operations.

The amounts reflected in the Special Revenue Fund column of Exhibits A and B use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual. Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The Court considers all revenues available if they are collected within 60 days after the fiscal year end. Expenditures are recorded when the related fund liability is incurred. The governmental funds use the following practices in recording revenues and expenditures:

Revenues

Revenues are recognized in the accounting period when susceptible to accrual (i.e., when they become both available and measurable). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period.

Commissions of filing fees are considered measurable when in the hands of collecting governments and are recognized as revenue at that time. Collection fees on support obligations are recorded when they are received by the Sixth Judicial District Court of Louisiana. Interest income on the money market account is recorded when the income is available and measurable.

Expenditures

Expenditures are generally recognized under the modified accrual basis of accounting in the accounting period in which the fund liability is incurred, if measurable.

SIXTH JUDICIAL DISTRICT COURT OF LOUISIANA  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2011

**Government-Wide Financial Statements**

The column labeled Statement of Net Assets (Exhibit A) and the Statement of Activities (Exhibit B) display information about the court as a whole. These statements include all the financial activities of the Court. Information contained in these columns reflect the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs, regardless of when cash is received or disbursed. Revenues, expenses, gains, losses, assets, and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*.

**Program Revenues** - Program revenues included in the Statement of Activities (Exhibit B) are derived directly from users as a fee for services; program revenues reduce the cost of the function to be financed from the Court's general revenues.

**E. BUDGETARY ACCOUNTING**

In accordance with R.S. 39:1313© the Sixth Judicial District Court of Louisiana did adopt a budget for the year ended December 31, 2011. Budget amounts were originally adopted by the judges on January 18, 2011, and amended on December 9, 2011. The budget amounts are adopted by the judges except beginning fund balances which have been adjusted to agree with the ending balance of the prior year audit report. All budgetary appropriations lapse at the end of each year. Encumbrance accounting is not used.

**F. CASH AND CASH EQUIVALENTS**

Cash includes amounts in demand deposits, interest bearing demand deposits, and time deposits. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the Court may deposit funds in demand deposits, interest bearing demand deposits, or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States.

**G. INVESTMENTS**

Investments are limited by Louisiana Revised Statute (R.S.) 33:2955 and the Court's investment policy. If the original maturities of investments exceed 90 days, they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents.

**H. CAPITAL ASSETS**

Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The Court maintains a threshold level of \$500.00 or more for capitalizing capital assets. All assets are valued at historical cost.

SIXTH JUDICIAL DISTRICT COURT OF LOUISIANA  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2011

**H. CAPITAL ASSETS (cont.)**

Capital assets are recorded in the Statement of Net Assets and Statement of Activities. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public purposes, no salvage is taken into consideration for depreciation purposes. All capital assets are depreciated using the straight line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Furniture, fixtures, and office equipment	5-15 years

**I. FUND EQUITY**

Beginning with fiscal year 2011, the Sixth Judicial District Court of Louisiana implemented GASB Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions." This Statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balances more transparent. The following classifications describe the relative strength of the spending constraints:

Nonspendable Fund Balance - amounts that are not in spendable form (such as inventory) or are required to be maintained intact.

Restricted Fund Balance - amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provision, or by enabling legislation.

Committed Fund Balance - amounts constrained to specific purposes by the Sixth Judicial District Court of Louisiana itself, using its highest level of decision-making authority. To be reported as committed, amounts cannot be used for any other purpose unless the District Attorney takes the same highest level action to remove or change the constraint.

Assigned Fund Balance - amounts the Sixth Judicial District Court of Louisiana intends to use for a specific purpose. Intent is expressed by the Sixth Judicial District Court of Louisiana.

Unassigned Fund Balance - amounts that are available for any purpose. These amounts are reported only in the general fund.

Beginning fund balances for the Sixth Judicial District Court of Louisiana's governmental funds have been restated to reflect the above classifications.

SIXTH JUDICIAL DISTRICT COURT OF LOUISIANA  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2011

**I. FUND EQUITY (cont.)**

When an expenditure is incurred for the purposes for which both restricted and unrestricted fund balance is available, the Sixth Judicial District Court of Louisiana considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the Sixth Judicial District Court of Louisiana considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Sixth Judicial District Court of Louisiana has provided otherwise in his commitment or assignment actions.

**J. COMPENSATED ABSENCES**

The Court allows two weeks per year in paid vacation and sick leave; however, this leave does not accrue. Since this leave policy does not provide for the accumulation and vesting of leave, no liability has been recorded in the financial statements.

**K. ESTIMATES**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenditures, and expenses during the reporting period. Actual results could differ from those estimates.

**NOTE 2 - CASH**

Cash includes amounts in interest bearing demand deposits. Under state law, the Court may deposit funds in demand deposits, interest bearing deposits, money market accounts, or time deposits with state banks organized under the laws of a state of the United States.

As of December 31, 2011, the book balance of the Court's deposits was \$100,043 and the bank balance was \$101,699. Of the bank balance, \$101,699 was covered by federal depository insurance, and \$0 by pledged securities.

The cash and cash equivalent on hand at December 31, 2011, are as follows:

	<u>Governmental Activities</u>
Demand deposit	\$ 5,987
Interest-bearing demand deposits	94,056
Total	<u>\$ 100,043</u>



SIXTH JUDICIAL DISTRICT COURT OF LOUISIANA  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2011

**NOTE 3 - INVESTMENTS**

	Carrying Amount	Market Value
Certificates of Deposit	\$ 644,409	\$ 644,409

**NOTE 4 - ACCOUNTS RECEIVABLE**

	Financial Statements	Net Assets
Intergovernmental	\$ 1,398	\$ 1,398
Fees	16,627	16,627
Interest	4,725	4,725
Total	\$ 22,750	\$ 22,750

**NOTE 5 - CHANGES IN GENERAL FIXED ASSETS**

The balance in general fixed assets as of December 31, 2011, was as follows:

Government Activities	Balance January 1, 2010	Additions	Deductions	Balance December 31, 2010
Support Enforcement Fund	\$ 107,352	\$ 4,089	\$ -	\$ 111,441
Probation Supervision	38,804	12,520	-	51,324
FINS Intake Officer	10,869	-	-	10,869
Total	157,025	16,609	-	173,634
Less accumulated depreciation	(144,218)	(6,004)	-	(150,222)
Capital assets - net	\$ 12,807	\$ 10,605	\$ -	\$ 23,412

All of the Court's fixed assets consisted of office and court room furniture, fixtures, and equipment. The Court has transferred all unused office equipment, computers, monitors, typewriters, etc. to the State of Louisiana Property Management System.

SIXTH JUDICIAL DISTRICT COURT OF LOUISIANA  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2011

**NOTE 6 - PENSION PLAN**

Substantially all employees of the Court are members of the Parochial Employees Retirement System of Louisiana ("System"), a cost-sharing multiple-employer, public employee retirement system (PERS), controlled and administered by a separate board of trustees. The System is composed of two distinct plans, Plan A and Plan B, with separate assets and benefit provisions. All employees of the Court are members of Plan A.

All permanent employees working at least 28 hours per week who are paid wholly or in part from District Court funds are eligible to participate in the System. Under Plan A, employees who retire at or after age 60 with at least 10 years of credited service, at or after age 55 with 25 years of credited service, or at any age with at least 30 years of credited service are entitled to a retirement benefit, payable monthly for life equal to 3 percent of the final-average salary for each year of credited service. However, for those employees who were members of the supplemental plan prior to January 1, 1980, the benefit is equal to one percent of final-average salary, plus \$24.00 for each year of supplemental plan for service earned prior to January 1, 1980. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least the amount of credited service stated previously and who do not withdraw their employee contributions may retire at the ages specified previously and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established by state statute.

Contributions to the System include one-fourth of one percent of the taxes shown to be collectible by the tax rolls of each parish, except Orleans and East Baton Rouge parishes. State statute requires covered employees to contribute a percentage of their salaries to the System. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by an actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year.

The Court's retirement related expenses for 2011, 2010, and 2009 were \$47,610, \$36,045, and \$26,827 respectively, equal to the required contributions for each year.

REQUIRED SUPPLEMENTAL INFORMATION

PART II

SIXTH JUDICIAL DISTRICT COURT OF LOUISIANA  
GOVERNMENTAL FUND - SPECIAL REVENUE  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2011

	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts	Favorable (Unfavorable)
<b>Revenues</b>				
Intergovernmental	\$ 44,490	\$ 44,490	\$ 45,078	\$ 588
Fees	337,600	349,175	349,688	513
Interest	12,945	11,365	10,246	(1,119)
Other	1,200	132	-	(132)
Total Revenues	<u>396,235</u>	<u>405,162</u>	<u>405,012</u>	<u>(150)</u>
<b>Expenditures</b>				
General government:				
Salaries and benefits	281,015	256,739	255,539	1,200
Travel	19,050	16,445	17,057	(612)
Office expense	31,530	33,071	32,393	678
Insurance	425	425	419	6
Professional fees	20,425	20,300	20,300	-
Repairs and maintenance	7,250	9,010	8,251	759
Other	2,950	7,466	11,781	(4,315)
Capital outlay	3,000	18,145	16,609	1,536
Total Expenditures	<u>365,645</u>	<u>361,601</u>	<u>362,349</u>	<u>(748)</u>
Excess (Deficiency) of Revenues over Expenditures	<u>30,590</u>	<u>43,561</u>	<u>42,663</u>	<u>(898)</u>
Other Financing Sources (Uses)				
Operating transfers in	78,130	56,485	56,485	-
Operating transfers out	<u>(77,500)</u>	<u>(55,065)</u>	<u>(56,485)</u>	<u>(1,420)</u>
Total	<u>630</u>	<u>1,420</u>	<u>-</u>	<u>(1,420)</u>
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	<u>31,220</u>	<u>44,981</u>	<u>42,663</u>	<u>(2,318)</u>
Fund Balance - Beginning	<u>721,684</u>	<u>721,684</u>	<u>721,684</u>	<u>-</u>
Fund Balance - Ending	<u>\$ 752,904</u>	<u>\$ 766,665</u>	<u>\$ 764,347</u>	<u>\$ (2,318)</u>

SIXTH JUDICIAL DISTRICT COURT OF LOUISIANA  
GOVERNMENTAL FUND - SUPPORT ENFORCEMENT  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2011

	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts	Favorable (Unfavorable)
<b>Revenues</b>				
Fees	\$ 135,000	\$ 132,000	\$ 132,593	\$ 593
Interest	11,500	10,025	7,947	(2,078)
Total Revenues	<u>146,500</u>	<u>142,025</u>	<u>140,540</u>	<u>(1,485)</u>
<b>Expenditures</b>				
General government:				
Salaries and benefits	39,300	39,300	40,160	(860)
Travel	2,000	2,000	1,925	75
Office expense	11,300	12,930	13,251	(321)
Insurance	425	425	419	6
Professional fees	16,675	16,675	16,675	-
Repairs and maintenance	3,250	3,250	2,592	658
Other	400	700	-	700
Capital outlay	500	4,200	4,089	111
Total Expenditures	<u>73,850</u>	<u>79,480</u>	<u>79,111</u>	<u>369</u>
Excess (Deficiency) of Revenues over Expenditures	<u>72,650</u>	<u>62,545</u>	<u>61,429</u>	<u>(1,116)</u>
Other Financing Sources (Uses)				
Operating transfers in	-	-	-	-
Operating transfers out	(72,500)	(50,565)	(50,565)	-
Total	<u>(72,500)</u>	<u>(50,565)</u>	<u>(50,565)</u>	<u>-</u>
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	150	11,980	10,864	(1,116)
Fund Balance - Beginning	<u>524,112</u>	<u>524,112</u>	<u>524,112</u>	<u>-</u>
Fund Balance - Ending	<u>\$ 524,262</u>	<u>\$ 536,092</u>	<u>\$ 534,976</u>	<u>\$ (1,116)</u>

SIXTH JUDICIAL DISTRICT COURT OF LOUISIANA  
 GOVERNMENTAL FUND - PROBATION SUPERVISION  
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
 BUDGET AND ACTUAL  
 FOR THE YEAR ENDED DECEMBER 31, 2011

	Budgeted Amounts		Actual Amounts	Variance Favorable (Unfavorable)
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$ -	\$ -	\$ 588	\$ 588
Fees	156,150	156,175	152,641	(3,534)
Interest	1,320	1,310	2,264	954
Other	1,200	132	-	(132)
Total Revenues	<u>158,670</u>	<u>157,617</u>	<u>155,493</u>	<u>(2,124)</u>
<b>Expenditures</b>				
General government:				
Salaries and benefits	80,850	74,645	81,207	(6,562)
Travel	12,000	9,895	10,720	(825)
Office expense	18,500	17,460	17,129	331
Professional fees	2,400	2,275	2,275	-
Repairs and maintenance	4,000	5,760	4,984	776
Other	2,550	1,860	1,969	(109)
Capital outlay	2,500	13,945	12,520	1,425
Total Expenditures	<u>122,800</u>	<u>125,840</u>	<u>130,804</u>	<u>(4,964)</u>
Excess (Deficiency) of Revenues over Expenditures	<u>35,870</u>	<u>31,777</u>	<u>24,689</u>	<u>(7,088)</u>
Other Financing Sources (Uses)				
Operating transfers in	-	-	-	-
Operating transfers out	(5,000)	(4,500)	(5,920)	(1,420)
Total	<u>(5,000)</u>	<u>(4,500)</u>	<u>(5,920)</u>	<u>\$ (1,420)</u>
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	<u>30,870</u>	<u>27,277</u>	<u>18,769</u>	<u>(8,508)</u>
Fund Balance - Beginning	<u>182,448</u>	<u>182,448</u>	<u>182,448</u>	<u>-</u>
Fund Balance - Ending	<u>\$ 213,318</u>	<u>\$ 209,725</u>	<u>\$ 201,217</u>	<u>\$ (8,508)</u>

SIXTH JUDICIAL DISTRICT COURT OF LOUISIANA  
GOVERNMENTAL FUND - JUDICIAL EXPENSE  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2011

	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts	Favorable (Unfavorable)
<b>Revenues</b>				
Fees	\$ 46,450	\$ 61,000	\$ 64,454	\$ 3,454
Interest	125	30	35	5
Total Revenues	<u>46,575</u>	<u>61,030</u>	<u>64,489</u>	<u>3,459</u>
<b>Expenditures</b>				
General government:				
Travel	50	50	-	50
Salaries and benefits	108,875	89,400	80,779	8,621
Professional fees	950	950	950	-
Other	-	4,906	9,812	(4,906)
Total Expenditures	<u>109,875</u>	<u>95,306</u>	<u>91,541</u>	<u>3,765</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(63,300)</u>	<u>(34,276)</u>	<u>(27,052)</u>	<u>7,224</u>
Other Financing Sources (Uses)				
Operating transfers in	63,500	40,000	40,000	-
Operating transfers out	-	-	-	-
Total	<u>63,500</u>	<u>40,000</u>	<u>40,000</u>	<u>-</u>
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	200	5,724	12,948	7,224
Fund Balance - Beginning	<u>9,517</u>	<u>9,517</u>	<u>9,517</u>	<u>-</u>
Fund Balance - Ending	<u>\$ 9,717</u>	<u>\$ 15,241</u>	<u>\$ 22,465</u>	<u>\$ 7,224</u>

SIXTH JUDICIAL DISTRICT COURT OF LOUISIANA  
GOVERNMENTAL FUND - FINS INTAKE OFFICER  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2011

	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts	Favorable (Unfavorable)
<b>Revenues</b>				
Intergovernmental	\$ 44,490	\$ 44,490	\$ 44,490	\$ -
Total Revenues	44,490	44,490	44,490	-
<b>Expenditures</b>				
General government:				
Salaries and benefits	51,990	53,394	53,393	1
Travel	5,000	4,500	4,412	88
Office expense	1,730	2,681	2,013	668
Professional fees	400	400	400	-
Repairs			675	(675)
Total Expenditures	59,120	60,975	60,893	82
Excess (Deficiency) of Revenues over Expenditures	(14,630)	(16,485)	(16,403)	82
Other Financing Sources (Uses)				
Operating transfers in	14,630	16,485	16,485	-
Operating transfers out	-	-	-	-
Total	14,630	16,485	16,485	-
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	-	-	82	82
Fund Balance - Beginning	5,607	5,607	5,607	-
Fund Balance - Ending	\$ 5,607	\$ 5,607	\$ 5,689	\$ 82



OTHER SUPPLEMENTAL INFORMATION

PART III

SIXTH JUDICIAL DISTRICT COURT OF LOUISIANA  
 COMBINING BALANCE SHEET - SPECIAL REVENUE FUND  
 AS OF DECEMBER 31, 2011

	Support Enforcement Fund	Probation Supervision	Judicial Expense	FINS Intake Officer	Total
<b>Assets</b>					
Cash	\$ 38,587	\$ 38,598	\$ 16,871	\$ 5,987	\$ 100,043
Certificate of deposit	483,349	161,060	-	-	644,409
Accounts receivable	15,037	2,119	5,594	-	22,750
Total assets	<u>536,973</u>	<u>201,777</u>	<u>22,465</u>	<u>5,987</u>	<u>767,202</u>
<b>Liabilities and Fund Equity</b>					
<b>Liabilities</b>					
Accounts payable	<u>1,997</u>	<u>560</u>	<u>-</u>	<u>298</u>	<u>2,855</u>
<b>Fund Equity</b>					
Fund balance - restricted	<u>534,976</u>	<u>201,217</u>	<u>22,465</u>	<u>5,689</u>	<u>764,347</u>
Total Liabilities and Fund Equity	<u>\$ 536,973</u>	<u>\$ 201,777</u>	<u>\$ 22,465</u>	<u>\$ 5,987</u>	<u>\$ 767,202</u>

SIXTH JUDICIAL DISTRICT COURT OF LOUISIANA  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCE - SPECIAL REVENUE FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2011

	Support Enforcement	Probation Supervision	Judicial Expense	FINS Intake Officer	Total
<b>Revenues</b>					
Intergovernmental	\$ -	\$ 588	\$ -	\$ 44,490	\$ 45,078
Fees	132,593	152,641	64,454	-	349,688
Interest	7,947	2,264	35	-	10,246
Total Revenues	<u>140,540</u>	<u>155,493</u>	<u>64,489</u>	<u>44,490</u>	<u>405,012</u>
<b>Expenditures</b>					
General government:					
Salaries and benefits	40,160	81,207	80,779	53,393	255,539
Travel	1,925	10,720	-	4,412	17,057
Office expense	13,251	17,129	-	2,013	32,393
Insurance	419	-	-	-	419
Professional fees	16,675	2,275	950	400	20,300
Repairs and maintenance	2,592	4,984	-	675	8,251
Other	-	1,969	9,812	-	11,781
Capital outlay	4,089	12,520	-	-	16,609
Total Expenditures	<u>79,111</u>	<u>130,804</u>	<u>91,541</u>	<u>60,893</u>	<u>362,349</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>61,429</u>	<u>24,689</u>	<u>(27,052)</u>	<u>(16,403)</u>	<u>42,663</u>
Other Financing Sources (Uses)					
Operating transfers in	-	-	40,000	16,485	56,485
Operating transfers out	(50,565)	(5,920)	-	-	(56,485)
Total	<u>(50,565)</u>	<u>(5,920)</u>	<u>40,000</u>	<u>16,485</u>	<u>-</u>
Excess of Revenues and Other Sources Over Expenditures and Other Uses	10,864	18,769	12,948	82	42,663
Fund Balance - Beginning	<u>524,112</u>	<u>182,448</u>	<u>9,517</u>	<u>5,607</u>	<u>721,684</u>
Fund Balance - Ending	<u>\$ 534,976</u>	<u>\$ 201,217</u>	<u>\$ 22,465</u>	<u>\$ 5,689</u>	<u>\$ 764,347</u>

OTHER REPORTS REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

**SIXTH JUDICIAL DISTRICT COURT OF LOUISIANA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
DECEMBER 31, 2011**

**A. SUMMARY OF AUDIT REPORTS**

1. The auditor's reports express an unqualified opinion on the financial statements of the Sixth Judicial District Court of Louisiana.
2. No instances of noncompliance material to the financial statements of the Sixth Judicial District Court of Louisiana were disclosed during the audit.
3. No significant deficiencies relating to the audit of the financial statements are reported in the Independent Auditor's Report on Internal Control.

**B. FINDINGS - FINANCIAL STATEMENTS AUDIT**

No findings.

SIXTH JUDICIAL DISTRICT COURT OF LOUISIANA  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
FOR THE YEAR ENDED DECEMBER 31, 2011

There were no prior audit findings and no management letter comments.

**DAVID Q RICHARDSON**  
CERTIFIED PUBLIC ACCOUNTANT  
POST OFFICE BOX 891  
TALLULAH LOUISIANA 71284-0891  
cpa2912@bellsouth.net  
318-574-0514  
318-574-0176

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON  
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS  
PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Sixth Judicial District Court of Louisiana  
Tallulah, Louisiana

I have audited the financial statements of the Sixth Judicial District Court of Louisiana, as of and for the year ended December 31, 2011, and have issued my report thereon dated June 20, 2012. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing my audit, I considered Sixth Judicial District Court of Louisiana internal control over financial reporting as a basis for designing my auditing procedures for the purpose of expressing my opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Sixth Judicial District Court of Louisiana's internal control over financial reporting. Accordingly, I do not express an opinion on the effectiveness of the Sixth Judicial District Court of Louisiana internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

My consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. I did not identify any deficiencies in internal control over financial reporting that I consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Sixth Judicial District Court of Louisiana's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing

Sixth Judicial District Court of Louisiana  
Tallulah, Louisiana

Page Two

an opinion on compliance with those provisions was not an objective of my audit, and accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance and other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the Sixth Judicial District Court of Louisiana, management, others within the organization, and applicable State Auditors and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

A handwritten signature in black ink, appearing to read "David R. Clark". The signature is fluid and cursive, with the first name "David" being more prominent than the last name "Clark".

Tallulah, Louisiana  
June 20, 2012